

The recent implementation of UNSCR 986 will increase the workload of our naval forces participating in the MIF. We are prepared to meet the increased monitoring effort in the coming months. The surge in maritime traffic expected to occur with the implementation of UNSCR 986 will necessitate extreme vigilance to ensure that those who would profit from illegal trade with Iraq are not given the opportunity to succeed.

The United Nations Compensation Commission (UNCC), established pursuant to UNSCR 687, continues to resolve claims against Iraq arising from Iraq's unlawful invasion and occupation of Kuwait. The UNCC has issued over 1 million awards worth approximately \$5.2 billion. At its most recent meeting, the UNCC Governing Council approved an award of \$610 million on the claim by the Kuwait national oil company for the costs of extinguishing the oil well fires ignited by Iraq at the end of the Gulf War. The UNCC has authorized to date only limited payments for fixed awards for serious personal injury or death because additional funds to pay awards have been unavailable due to Iraq's refusal to comply with all relevant sanctions. With the advent of oil sales under

UNSCR 986, however, 30 percent of the proceeds (which is anticipated to be as much as \$100 million per month) will be allocated to the Compensation Fund. These proceeds will be used to make installment payments on awards already made and to finance the operations of the UNCC.

To conclude, Iraq remains a serious threat to regional peace and stability. I remain determined to see Iraq comply fully with all of its obligations under U.N. Security Council resolutions. My Administration will continue to oppose any relaxation of sanctions until Iraq demonstrates its peaceful intentions through such compliance.

I appreciate the support of the Congress for our efforts and shall continue to keep the Congress informed about this important issue.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate. This letter was released by the Office of the Press Secretary on January 8.

## Message to the Congress Transmitting Legislation on the Appointment of the United States Trade Representative *January 8, 1997*

*To the Congress of the United States:*

I am pleased to transmit herewith for your immediate consideration and enactment legislation to provide a waiver from certain provisions relating to the appointment of the United States Trade Representative.

This draft bill would authorize the President, acting by and with the advice and consent of the Senate, to appoint Charlene Barshefsky as the United States Trade Representative, notwithstanding any limitations imposed by certain provisions of law. The Lobbying Disclosure Act of 1995 amended the provisions of the Trade Act of 1974 regarding the appointment of the United States Trade Representative and the Deputy United States Trade Representatives by imposing certain limitations on their appointment. These limitations only became effective

with respect to the appointment of the United States Trade Representative and Deputy United States Trade Representatives on January 1, 1996, and do not apply to individuals who were serving in one of those positions on that date and continue to serve in them. Because Charlene Barshefsky was appointed Deputy United States Trade Representative on May 28, 1993, and has continued to serve in that position since then, the limitations in the Lobbying Disclosure Act, which became effective on January 1, 1996, do not apply to her in her capacity as Deputy United States Trade Representative and it is appropriate that they not apply to her if she is appointed to be the United States Trade Representative.

I have today nominated Charlene Barshefsky to be the next United States Trade Representative. She has done an outstanding job as Deputy United States Trade Representative since 1993 and as Acting United States Trade Representative for the last 9 months. I am confident she will make an excellent United States Trade Rep-

resentative. I urge the Congress to take prompt and favorable action on this legislation.

WILLIAM J. CLINTON

The White House,  
January 8, 1997.

## Remarks on Receiving a Report on Student Loan Default Rates and an Exchange With Reporters

January 9, 1997

*The President.* Thank you very much, Fiona. And I want to thank all the young people for coming here and for representing the best in our country and the best of our future. I also want to thank Secretary Riley for this report and for the work that he and the good people at the Department of Education have done every day for the last 4 years.

When I ran for this office in 1992, at every stop along the way, I always said one of the most important things for me to do in the next 4 years was to open the doors of college education wider by passing a loan program that would allow people to pay their college loans back as a percentage of their income, to have more options to pay their college loans back so no young person need ever fear going to college because of the crushing burden of debt on them in the early years after they got out, but that at the same time, we had to have more responsibility by dramatically lowering the student default rate.

I went to law school and college on scholarships and loans and jobs, and I felt very strongly that it ought to be easier for people to go but that it ought to be harder to evade your obligation to repay the debt. And we have worked very, very hard to achieve those objectives. And that's why we've worked hard to expand college loans and lower their costs through the direct loan program. I'm glad that Fiona is a direct-loan student. We've seen the results of that throughout the country, and we believe that when those loans start to be repaid, they will lower the default rate even more.

We expanded Pell grants and work-study programs in the last session of Congress to their highest level in history. We had the biggest in-

crease in Pell grants in 20 years, and we added 200,000 more work-study slots. AmeriCorps was created, and it lets young people, obviously, earn money for a college education by serving in their communities.

And in addition to that, as this report points out, we have strengthened the basic bargain. There has been more opportunity, but there is more responsibility. The default rate on student loans that is being announced today is the lowest in the history of America. It has dropped 40 percent since I took office. It is now below 11 percent. We want it to go lower still, but we can be proud of the fact that more young people who go to college are showing that, along with everything else, they have learned the important lesson of their responsibility to pay the loan back. And that means savings of hundreds of millions of dollars to our taxpayers, savings which will make it easier for us to balance the budget and easier for us to invest more in education.

We have done our part by placing tough sanctions on schools that didn't do their part to prevent defaults, and in some cases, we actually took away eligibility for Federal loan programs. When necessary, we have tracked down defaulters and made them pay. Frankly, a stronger economy has also helped to produce today's good news. More young people who get out of college can get good jobs and repay their loans more easily, and that's very, very important.

But the bottomline is that this report shows that our strategy of opportunity and responsibility is working. It's working because of the steps that have been taken to improve student loans